

the law. It protects our freedom of thought and expression, our freedom to worship or not as we each choose, and our political freedoms, as well. It is the basis for our fundamental right of privacy and for limiting government's intrusions and burdens in our lives.

I oppose what I perceive to be a growing fascination with laying waste to our Constitution and the protections that have served us well for over 200 years. The First Amendment, separation of powers and power of the purse should be supported and defended.

When we embarked in this Congress, we each swore an oath to support and defend the Constitution. That is our duty to those who forged this great document, our responsibility to those who sacrificed to protect and defend our Constitution, our commitment to our constituents and our legacy to those who will succeed us.

The Framers gave us a remarkable document, an extraordinary system of government and protections for our individual liberties. So I celebrate this day, not with the parades or fireworks of the Fourth of July, but with solemn consideration of how the Framers guaranteed our freedom through checks on government power. Most of all, I mark this day with a renewed commitment to cherish and to protect this most precious of legacies, to resist easy amendments, to resist assaults on our Bill of Rights, and to preserve the Constitution for our children and grandchildren.●

WOMEN'S ST. CLAIR SHORES CIVIC LEAGUE 60TH ANNIVERSARY

● Mr. ABRAHAM. Mr. President, I rise today to honor the St. Clair Shores Civic League, in St. Clair Shores, Michigan on its 60th Anniversary. The mission of the League, "to maintain a high standard of civic life . . . by activities designed to stimulate citizen participation in government and to promote the cultural growth of the city" is very respectable and has led the organization to be very successful.

The Women's St. Clair Shores Civic League has grown tremendously over the course of over six decades. The committee of six women that eventually became the League, was formed in 1930 to aid the youth of the community and assist in civic improvements. In an effort to better handle their increasing tasks, the committee became the Women's St. Clair Shores Civic League in 1939. Some the League's projects over the years have included consolidating three school districts, building a municipal park, and incorporating St. Clair Shores. These achievements, few among many, are testament to the devotion and hard work of the Women's St. Clair Shores Civic League.

I am proud to congratulate this special organization on 60 years. The Women's St. Clair Shores Civic League will undoubtedly enjoy continued success.●

SCHOOL MODERNIZATION TAX INCENTIVES

Ms. MOSELEY-BRAUN. Mr. President, today, 39 of my colleagues and I are sending a letter to the Senate Majority Leader, Senator LOTT, and the chairman of the Senate Finance Committee, Senator ROTH, urging them to include school modernization tax incentives in any tax legislation considered by the Senate this year. While we may have different positions on the advisability of enacting such legislation, and different positions on what that legislation should include, we are united in believing that any tax legislation must include significant relief for communities seeking to rebuild and modernize their schools.

This month, according to a recent report from the Department of Education, a record number of students are pouring into our nation's classrooms. 52.7 million children enrolled in elementary and secondary schools this year, a 500,000 student increase from last year. Ten years from now, according to the report, enrollment is expected to reach 54.3 million. We cannot continue to pack these children into today's schools. We need to build an estimated 6,000 new schools over the next 10 years just to keep up with rising enrollment.

In addition, the U.S. General Accounting Office has documented \$112 billion worth of deferred maintenance and neglect of existing school buildings. It will cost \$112 billion nationwide—\$13 billion in Illinois alone—to bring existing school buildings up to good, overall condition. That is not the cost of equipping them with new computers, or even of retrofitting them so teachers have a place to plug in new computers. That is just the cost of bringing existing buildings up to good, overall condition.

Crumbling and overcrowded schools are found in every type of community, all across the nation. The GAO found that 38 percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools are crumbling down around our children.

The problem is so pervasive because it is a symptom of our failed school finance structure. For more than 100 years, we have relied on local property taxes to finance our schools. This system may have made sense when the nation's wealth was held and measured in terms of property, but it does not make sense today.

According to the GAO, our school finance system actually militates against most communities' best efforts to improve their schools. In 35 states, poor districts have higher tax rates than wealthy districts, but raise less revenue because of lower property values.

In 11 states, courts have actually declared school finance systems unconstitutional. In nearly every case, states have complied by raising property or sales taxes to fund school improvements. Similar litigation is pending in

another 16 states, and many of these lawsuits appear likely to result in higher state and local taxes as well.

The Senate has an opportunity this year to break this cycle of crumbling schools and higher local taxes. We have an opportunity to create a new partnership between the federal government, states, and communities to improve our schools. We can do this in a way that does not reduce the projected budget surplus, which is properly being reserved for Social Security, and in a way that maintains continued fiscal discipline.

In last year's Taxpayer Relief Act, the Congress took the first steps toward the creation of this new partnership, when it enacted the Qualified Zone Academy Bond program. Under this program, school districts issue zero-interest bonds, and purchasers of these bonds receive federal income tax credits in lieu of interest. This mechanism can cut the cost of major school improvements by 30 to 50 percent. In Chicago, the school system will presently issue \$14 million worth of these bonds for a school renovation project. By using these bonds instead of regular municipal bonds, the school system will save Chicago taxpayers \$7 million in interest costs. In other words, this project will cost \$14 million, instead of \$21 million.

I propose that we use the same mechanism to facilitate school improvements nationwide. According to the Joint Committee on Taxation, we can supply \$22 billion worth of these special bonds to states and communities at a cost of only \$3.3 billion to the federal treasury over the next five years. That \$3.3 billion cost actually represents tax relief for purchasers of these school modernization bonds. Under this plan, communities get better schools and children get a better education; local property taxpayers and federal income taxpayers get lower bills. This is the kind of innovative partnership we need to rebuild and modernize our schools for the 21st century.

Last week, President Clinton, Vice President GORE, governors, members of Congress, cabinet members, parents, teachers, and school officials gathered at 84 sites around the country to focus attention on the urgent need to create a new partnership to modernize our schools. Speaking at a school in Maryland, President Clinton said our "children deserve schools that are as modern as the world in which they will live." He went on to say that, "Nothing we do will have a greater effect on the future of this country than guaranteeing every child, without regard to race or station in life or region in this country, a world-class education. Nothing."

That statement could not be more true. The rungs on the ladder of opportunity in America have always been crafted in the classroom, and in the emerging global economy, the importance of education continues to grow. As H.G. Wells noted, "Human history becomes more and more a race between education and catastrophe."

As we approach the 21st century, we are faced with the real problem that too many of our schools do not provide the kind of learning environment necessary to educate our children for a competitive, global economy. Studies have proven a correlation between building conditions, student achievement, student discipline. The fact is, our children cannot learn in schools that are falling down around them.

I hope the Congress can use the remaining time we are in session, short as it may be, to create a school modernization partnership that will carry our children into the next century. I look forward to working with my colleagues on both sides of the aisle to ensure that our plan is a part of any tax legislation considered this year.

According to a recent Gallup poll, 86 percent of adults support providing federal funds to repair and replace older school buildings. That figure suggests that the American people want Congress to put aside partisanship and ideology and work together to help improve our schools. I hope we won't let them down.

Mr. President, I ask that the text of the letter to Senator LOTT be printed in the RECORD. An identical copy of the letter has been sent to Senator ROTH.

The text of the letter follows:

U.S. SENATE,

Washington, DC, September 17, 1998.

Hon. TRENT LOTT,

Majority Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: As you know, the House and Senate have each passed fiscal year 1999 Budget Resolutions calling for the enactment of substantial tax relief legislation. We believe that any such legislation should include major tax relief for communities seeking to rebuild and modernize their school facilities.

The problem of crumbling and overcrowded schools has grown too large and is too important for Congress to ignore. According to the U.S. General Accounting Office (GAO), it will cost \$112 billion just to bring existing schools up to good, overall condition. In addition, the Department of Education reports that the nation's school districts will need to build an additional 6,000 schools over the next ten years simply to keep class sizes at current levels as student enrollment rises. Crumbling and overcrowded schools are found in virtually every kind of community and every part of the country. The GAO found that 38 percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools reported needing extensive repair or replacement of one or more buildings.

The large and growing school infrastructure deficit in the United States reflects problems and inequities in our system of school finance. In 35 States, poor districts have higher tax rates than wealthy districts but raise less revenue because of lower property values. School financing systems have been ruled unconstitutional in 11 states. In nearly every case, States have complied by raising property or sales taxes to fund school improvements. Similar litigation is pending in 16 other States, and many of these lawsuits appear likely to result in higher state and local taxes as well.

The Senate has an opportunity in this year's tax legislation to break this cycle of crumbling schools and higher local taxes. We have an opportunity to create a new partner-

ship between the federal government, States, and communities to improve the learning environment for our children—our economy's most precious asset. We believe this objective can be accomplished in a manner that does not reduce the projected budget surplus, which is properly being reserved for Social Security, and that maintains continued fiscal discipline.

The condition of school facilities has been found to have a direct effect on student behavior and achievement. By helping States and communities rebuild and modernize their schools, the federal government can make a constructive contribution to the quality of education in America, while helping to free resources at the local level for other school initiatives or much-deserved property and sales tax relief.

This subject has been of growing concern to us in recent years. Earlier proposals to commit federal resources to address this problem have been unsuccessful, and it has become clear that needed assistance to schools will only be acceptable to a majority of Senators if it is in the form of tax relief. Therefore, as the Senate considers tax legislation this year, we look forward to working with you to provide substantial tax relief targeted to the rebuilding and modernizing of our nation's schools.

Sincerely,

Carol Moseley-Braun, Ted Kennedy, Patty Murray, John F. Kerry, Robert Torricelli, Tom Daschle, Fritz Hollings, Charles Robb, Chris Dodd, Dale Bumpers.

Max Cleland, Daniel Akaka, Joseph Lieberman, Byron L. Dorgan, Frank R. Lautenberg, Paul S. Sarbanes, Dianne Feinstein, Carl Levin, Mary L. Landrieu, Tom Harkin, Kent Conrad, Jeff Bingaman, Barbara A. Mikulski, Tim Johnson, Harry Reid, Herb Kohl, Barbara Boxer, John Glenn.

Daniel K. Inouye, Jack Reed, Wendell Ford, Dick Durbin, Richard H. Bryan, Max Baucus, Paul Wellstone, Jay Rockefeller, Bob Kerrey, John Breaux, Patrick Leahy, Ron Wyden.●

THE DEPARTMENT OF JUSTICE'S WAR AGAINST CAPITALISM

Mr. GORTON. Mr. President, few of my colleagues would dispute the notion that capitalism is the foundation of America's economic success. Under capitalism, competition inspires innovation. Innovation led in the 19th Century to the industrial revolution, and in the 20th Century to the digital age. These developments have made the United States the richest, most successful nation in the world. But this Administration seems to distrust our capitalist, competitive system and wants to replace it with some sort of "third-way" in which government bureaucrats make major decisions about what innovations will be allowed in our economic system, and when.

I refer particularly, Mr. President, to the Justice Department's vendetta against Microsoft, a company that has had the ingenuity and determination to achieve the American dream. Against the odds, one man with a good idea turned a workshop in his garage into the most successful high technology company in the world. The Administration is now on a path to destroy not only the man and his company but to destroy the dream as well.

Assistant Attorney General Joel Klein, head of the Justice Department's Antitrust Division, has declared war on success in the name of antitrust law. According to Joel Klein's world view, it is the duty of the United States government to protect not the consumer but the company that cannot compete on its own merits.

Mr. Klein has made his ambition abundantly clear. When he testified before the Senate Judiciary Committee in June he said, "We reject categorically the notion that markets will self-correct and we should sit back and watch." Instead, Mr. Klein believes the government should control every move of America's most successful and innovative companies.

What candidate for president ran on this platform? The American people were not informed that free markets were to be abandoned as our principal economic guide. Instead of allowing the best man, or in this case the best company, to win, the Justice Department wants to control the market and dole out slices of it to companies of its choice.

This is anathema to the free market, Mr. President.

The Department's case, after all, is merely an attempt to give Netscape and other Microsoft rivals a leg up in the ongoing battle for market share in the software industry. Microsoft has earned its current prominence in the software industry through hard work, innovation, and consumer choice. The company has been successful because it has had better ideas and more efficient means of turning those ideas into superior products. Consumers in the United States and throughout the world simply prefer Microsoft products.

But jealous rivals who have not reached the same level of success have now enlisted the Justice Department to give them what they and the Administration believe is rightfully theirs—more market share. These rivals, I fear, may soon regret ever having opened this Pandora's box. For a precedent may have already been set. That precedent is that government intervention in the market, in the absence of consumer complaint or dissatisfaction, is acceptable.

That is why I speak here today, Mr. President, as one in a growing number of voices in America in firm opposition to the Administration's case against Microsoft.

As I see it, the Administration is not working for the greater good, but for its own good. Those at the highest levels of this Administration believe they, not the market and certainly not consumers, know what is best for the nation. Rick Rule, former Assistant Attorney General for Antitrust under President Ronald Reagan, summed it up best when he said, "The Hubris reflected in the government's case against Microsoft is monumental."